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Letter dated 4 October 2017 from the Chair a.i. of the Governing Council of the United Nations Compensation Commission addressed to the President of the Security Council

On behalf of the Governing Council of the United Nations Compensation Commission, I am pleased to provide a report on the results of the eighty-third session of the Council, which was held in Geneva on 3 October 2017. The full text of the conclusions adopted by the Council, together with additional documentation, is attached.* I would, however, like to highlight a few of the issues discussed during the session.

As the position of the President of the Governing Council remains vacant, Egypt agreed to preside over the eighty-third session.

During the opening plenary meeting, delegations from the Governments of Kuwait and Iraq, including a delegation from the Committee of Financial Experts, which is responsible for the oversight of Iraq's oil revenues, addressed the Council.

With the adoption of decisions 272 (2014), 273 (2015) and 274 (2016) by the Governing Council, the obligation for Iraq to deposit 5 per cent of the proceeds generated by the export sales of Iraqi petroleum and petroleum products into the United Nations Compensation Fund was postponed until 1 January 2018. As a result, no compensation payments have been made since October 2014. In the light of the three consecutive one-year postponements, the Council continued its discussions on future options for ensuring the resolution of the $4.6 billion remaining to be paid to the only outstanding claim award and for bringing the mandate of the Commission to a conclusion. That claim, submitted by the Government of the State of Kuwait on behalf of the Kuwait Petroleum Corporation, had been awarded $14.7 billion in 2000 for losses in oil production and sales as a result of damages to Kuwait's oilfield assets and represents the largest award granted by the Commission.

The Governing Council adopted decision 275 (2017) allowing the Governments of Iraq and Kuwait additional time to collaborate on options that would ensure the final payment of compensation towards the outstanding award by the end of 2021, to be considered at a special session of the Governing Council to be held on 21 November 2017.

In that regard, and as set out in the decision, the Governments of Iraq and Kuwait are to present options for the Governing Council's consideration by 14 November 2017. In the absence of the presentation of options that would bring the mandate of the Commission to a conclusion in the near term, the Council will have no alternative but to make a determination from among the options considered

* Not included in present document.

at its eighty-second session, while recognizing the extraordinary budgetary challenges Iraq continues to face.

With regard to the ongoing request by Iraq for access to the Commission's archives, the Governing Council considered the issue in the light of the letter dated 1 August 2017 sent by the Minister for Foreign Affairs of Iraq to the President of the Security Council (S/2017/721) and the statements made by the delegation of Iraq at the opening plenary session. In its consideration of the matter, the Governing Council recalled that individual claim files had been disposed of in accordance with the approved policies relating to the records of the Commission; that the limited information remaining within the Commission did not contain any details regarding the particulars of losses with respect to individual claims; that the Council's position on confidentiality resulted in the non-disclosure of the names of the individuals who had filed claims with the Commission (category A, B, C and D claims); that the Commission only awarded compensation for losses as a direct result of the invasion of Kuwait by Iraq in 1990-91 and any claims for losses outside of the period would therefore not have been compensated by the Commission; and that detailed information for all category E (corporate) and F (government) claims, which represent 77.7 per cent of the total amount awarded, had been given to Iraq. A letter will be sent by the Governing Council to Iraq in that regard.

The Governing Council adopted the report of the Committee on Administrative Matters, which met during the session and approved the Commission's budget for 2018.

As noted above, a special session will be held on 21 November 2017, and the next regular session of the Governing Council has been tentatively scheduled for 25 April 2018.

(*Signed*) Heidy **Serry**
Minister Plenipotentiary
Deputy Permanent Representative
on behalf of the Governing Council